

# Interim report

January-December 2025



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# General information

## Mission

The economic aspect of the Bank's mission is to create value for the clients, employees, and shareholders of the Bank as well as for society and economy of Latvia by means of high-quality financial solutions.

For more than 30 years, the Bank has been an active member of Latvian society. The social aspect of the Bank's mission is to support Latvian society in developing traditional and new cultural currents, preserving historical heritage, and improving the quality of life.

## Vision

The Bank is in the leading position in the area of corporate client service and wealth management in Latvia and at regional level.

The Bank plans to consolidate its market position with an aim to ensure stable profit and improve efficiency ratios. Continuation of stable growth, improvement of the technological base and supporting of rational administrative infrastructure are among the Bank's priorities.

The Bank plans to continue to improve the control and risk management systems, personnel training and professional development of all employees.

Rietumu Group has zero-tolerance towards bribery, corruption, and money laundering. We are proud to have one of the most numerous and skilled teams in the region that stands ready to fight unfair business practices.

We at Rietumu Banka understand the importance of doing business in a way that for having profit today one does not have to take from tomorrow. Each business has to make its own contribution towards achieving long-term sustainability and banks as the ones controlling the flows of funds have even greater responsibility for this mission to be successful.

Rietumu Banka considers important sharing and promoting social responsibility by providing support and assistance to those in need through operations Nākotnes Atbalsta fonds (Fund for support of future).

## Strategy

For achieving the set goals, the Bank has worked out and has been effectively implementing its corporate strategy focusing on the following areas:

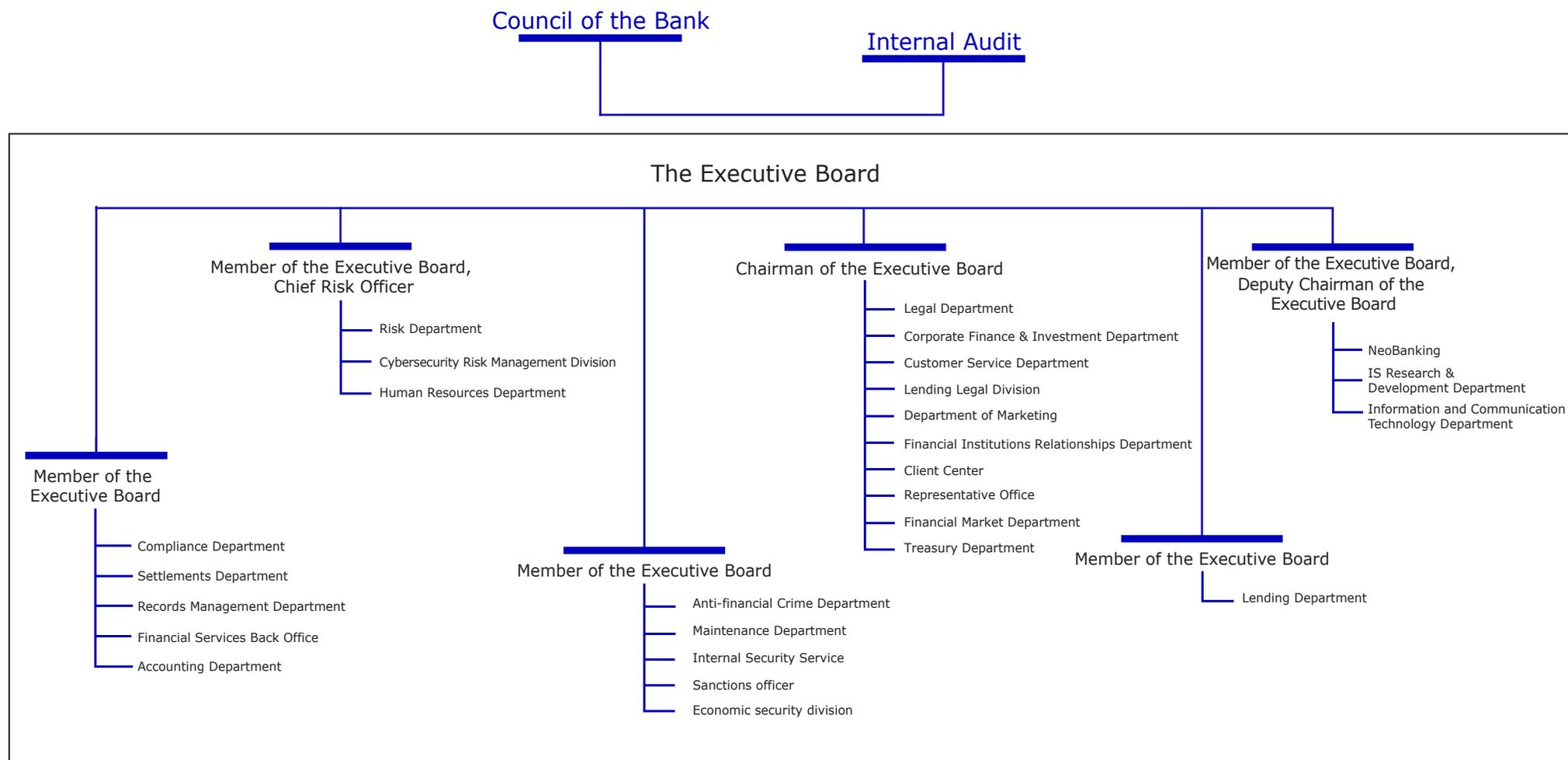
- Cooperation with customers working on international scale, customers who own production companies, distribution networks, retail chains, transportation and real estate enterprises, import and export oriented companies, as well as customers with cross-border business requirements, etc.
- Assets and wealth management, brokerage services for stock exchange, investment and corporate finance, provision of loans to corporate entities, interbank lending and investment in securities, attraction of interbank loans, corporate and private deposits attraction.
- Constantly raising customer service quality by improving and expanding the existing product range according to the current market situation and the Bank's technological capabilities.
- Continually improving the internal processes and information technologies.

## Bank offices

The information about Rietumu Bank Worldwide offices can be found:

<https://www.rietumu.com/en/about-bank/bank-details>

# The structure of JSC "Rietumu Banka"



## Shareholders of the Bank

Shareholders of the Bank	Number of shares	EUR The nominal value of shares	EUR Paid-in share capital	% of share capital with voting rights
<b>Companies non-residents, total</b>	<b>33 650 918</b>		<b>47 111 285</b>	<b>33.11%</b>
Boswell (International) Consulting Limited (Malta)	33 650 918	1.4	47 111 285	33.11%
<b>Companies residents, total</b>	<b>51 278 829</b>		<b>71 790 361</b>	<b>50.46%</b>
SIA "Esterkin Family Investments"	33 660 627	1.4	47 124 878	33.12%
SIA "Suharenko Family Investments"	17 618 202	1.4	24 665 483	17.34%
<b>Others</b>	<b>16 703 953</b>	<b>1.4</b>	<b>23 385 534</b>	<b>16.43%</b>
<b>Shares with voting rights</b>	<b>101 633 700</b>		<b>142 287 180</b>	<b>100.00%</b>
<b>Shares without voting rights</b>	<b>19 020 308</b>	<b>1.4</b>	<b>26 628 431</b>	
<b>Paid-in share capital total</b>	<b>120 654 008</b>		<b>168 915 611</b>	

## The Council of the Bank

Name	Position	Date of appointment
Leonids Esterkins	Chairman of the Council	13/06/2024 - 12/06/2029
Arkadijs Suharenko	Deputy Chairman of the Council	13/06/2024 - 12/06/2029
Dermot Fachtina Desmond	Deputy Chairman of the Council	13/06/2024 - 12/06/2029
Valentins Blugers	Member of the Council	13/06/2024 - 12/06/2029
Iļja Suharenko	Member of the Council	13/06/2024 - 12/06/2029
Charles William Larson Jr.	Member of the Council	13/06/2024 - 12/06/2029

## The Executive Board of the Bank

Name	Position	Date of appointment
Jelena Buraja	Chairman of the Executive Board	21/08/2024 - 20/08/2029
Ruslans Stecjuks	Member of the Executive Board, Deputy Chairman	21/08/2024 - 20/08/2029
Mihails Birzgals	Member of the Executive Board	21/08/2024 - 20/08/2029
Vladlens Topcijans	Member of the Executive Board	21/08/2024 - 20/08/2029
Sandris Straume	Member of the Executive Board, Chief Risk Officer	21/08/2024 - 20/08/2029
Arturs Jukss	Member of the Executive Board	27/01/2025 - 25/01/2030

# Consolidation group

JSC "Rietumu Banka" is the parent entity of the group.

No.	Name of company	Registration number	Registration location code	Registration address	Type of activities*	Interest in share capital (%)	Voting shares (%)	Basis for inclusion in the group**
1	AS "Rietumu Banka"	40003074497	LV	Latvia, Riga, Vesetas str. 7	BNK	100	100	MT
2	SIA "RB Investments"	40003669082	LV	Latvia, Riga, Vesetas str. 7	CFI	100	100	MS
3	SIA "KI Zeme"	40103161381	LV	Latvia, Riga, Vesetas str. 7	PLS	100	100	MMS
4	SIA "KI Nekustamie īpašumi"	40103182129	LV	Latvia, Riga, Vesetas str. 7	PLS	100	100	MMS
5	Ulmaria Limited	021577V	IM	Isle of Man, Castletown IM9 1LG, The Red House One The Parade	PLS	100	100	MMS
6	Rietumu leasing OOO	100188077	BY	Belarus, Minsk, Odoevskogo str. 117, 6th floor, office 9	LIZ	100	100	MS
7	SIA "InCREDIT GROUP"	40103307404	LV	Latvia, Riga, Kr.Barona str. 130	CFI	51	51	MS
8	SIA "Euro Textile Group"	40003660929	LV	Latvia, Riga, Vesetas str. 7	PLS	100	100	MS
9	SIA "KI FUND"	40203088127	LV	Latvia, Riga, Vesetas str. 7	PLS	100	100	MS
10	SIA "Second Sky Management"	40203293952	LV	Latvia, Riga, Vesetas str. 7	PLS	100	100	MS

\* BNK - bank; ENI - e-commerce company; IBS - investment brokerage company; IPS - investment management company; PFO - pension fund; LIZ - leasing company; CFI - other financial institution; PLS - company providing various support services.

\*\* MS - subsidiary company; MMS - subsidiary of the subsidiary company; MT - parent company; CT - other company.

## Income Statement

	000'EUR			
	<b>Bank</b>	Group	<b>Bank</b>	Group
	<b>01.01.2025-</b>	01.01.2025-	<b>01.01.2024-</b>	01.01.2024-
	<b>31.12.2025</b>	31.12.2025	<b>31.12.2024</b>	31.12.2024
	<b>Audited*</b>	Non-audited	<b>Audited*</b>	Non-audited
Interest income	55 982	66 018	64 805	73 463
Interest expenses	-17 941	-18 202	-25 210	-24 912
Dividend income	2 392	140	2 428	327
Commission and fee income	12 235	12 232	10 480	10 477
Commission and fee expense	-2 388	-2 968	-1 838	-2 326
Net gain/(loss) on derecognition of financial assets and financial liabilities not measured at fair value through profit or loss	-66	-66	-603	-603
Net gain/ (loss) from financial assets and liabilities at fair value through profit or loss	2 119	2 022	3 123	3 123
Net result from foreign exchange trading and revaluation	5 754	9 263	1 381	2
Net gain/(loss) from derecognition of non-financial assets	369	4 168	-1 233	-1 223
Other income	2 542	10 546	1 984	9 532
Other expense	-727	-1 682	-810	-1 864
Administrative expense	-34 283	-41 746	-31 253	-41 989
Depreciation	-1 670	-3 754	-2 239	-2 310
Provisions or reversal of provisions	103	92	836	902
Impairment losses	-62 131	-61 129	-5 814	-5 623
Profit or loss arising from investments in subsidiaries, joint ventures and associates recognised using the equity method	5 666	-307	-	-64
<b>PROFIT BEFORE CORPORATE INCOME TAX</b>	<b>-32 044</b>	<b>-25 373</b>	<b>16 037</b>	<b>16 912</b>
Corporate income tax	-536	-1 206	-3 155	-4 114
<b>NET PROFIT</b>	<b>-32 580</b>	<b>-26 579</b>	<b>12 882</b>	<b>12 798</b>
Other comprehensive income for the reporting period	3 051	1 665	10 853	12 023

# Financial performance

## Condensed Balance Sheet

000'EUR

	<b>Bank</b> <b>31.12.2025</b> <b>Audited*</b>	Group 31.12.2025 Non-audited	<b>Bank</b> <b>31.12.2024</b> <b>Audited*</b>	Group 31.12.2024 Non-audited
<b>ASSETS</b>				
Cash and demand deposits with central banks	349 444	349 475	248 143	248 161
Demand deposits due from/with credit institutions	20 432	22 384	15 711	17 246
Financial assets at fair value through profit or loss	8 914	9 347	8 022	8 515
Financial assets at fair value through other comprehensive income	175 138	175 138	213 324	213 324
Financial assets at amortised cost	688 642	664 391	733 556	702 176
Loans, net	652 459	628 208	688 778	657 398
<i>incl.</i>				
<i>loans, gross</i>	749 181	729 893	726 079	687 888
<i>expected credit losses</i>	-96 722	-101 685	-37 301	-30 490
<i>stage 1</i>	-3 789	-4 261	-5 413	-5 937
<i>stage 2</i>	-12 493	-12 787	-4 371	-3 476
<i>stage 3</i>	-80 440	-84 637	-27 517	-21 077
Debt securities, net	36 183	36 183	44 778	44 778
<i>incl.</i>				
<i>debt securities, gross</i>	40,354	40 354	49 751	49 751
<i>expected credit losses</i>	-4 171	-4 171	-4 973	-4 973
<i>stage 1</i>	-430	-430	-479	-479
<i>stage 2</i>	-58	-58	-47	-47
<i>stage 3</i>	-3 683	-3 683	-4 447	-4 447
Tangible assets	68 349	137 728	61 302	123 965
<i>fixed assets</i>	27 514	68 591	27 882	43 926
<i>investment property</i>	40 835	69 137	33 420	80 039
Intangible assets	2 014	2 018	1 802	1 811
Investments in subsidiaries and associates	33 859	621	74 781	37 577
Tax assets	273	293	1 036	1 066
Other assets	15 831	18 086	13 131	15 324
Long-term assets and disposal groups classified as held for sale	-	40	1 126	5 991
<b>Total assets</b>	<b>1 362 896</b>	<b>1 379 521</b>	<b>1 371 934</b>	<b>1 375 156</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>				
Demand deposits due to credit institutions	14 518	14 518	10 543	10 543
Financial instruments at fair value through profit or loss	-	-	2 534	2 534
Financial liabilities at amortised cost	998 167	998 432	965 104	948 178
<i>incl.</i>				
<i>deposits</i>	986 649	965 742	930 078	923 617
Tax liabilities	20	885	2 793	3 602
Provisions	30 606	30 542	30 709	30 634
Other liabilities	7 370	8 572	6 049	7 031
<b>Total liabilities</b>	<b>1 050 681</b>	<b>1 052 949</b>	<b>1 017 732</b>	<b>1 002 522</b>
<b>Shareholders' equity</b>	<b>312 215</b>	<b>326 572</b>	<b>354 202</b>	<b>372 634</b>
<i>incl.</i>				
<i>paid-in share capital</i>	168 916	168 916	168 916	168 916
<i>share premium</i>	52 543	52 543	52 543	52 543
<i>reserve capital</i>	23	23	23	23
<i>retained earnings of previous years</i>	124 404	126 240	123 981	134 880
<i>profit for the period</i>	-32 580	-28 513	12 882	11 234
<i>fixed asset revaluation reserve</i>	-	7 381	-	7 506
<i>revaluation reserve for financial assets at fair value</i>	-1 091	-1 091	-4 143	-4 143
<i>currency translation reserve</i>	-	-4 246	-	-2 985
<i>non-controlling interest</i>	-	5 319	-	4 660
<b>Total liabilities and shareholders' equity</b>	<b>1 362 896</b>	<b>1 379 521</b>	<b>1 371 934</b>	<b>1 375 156</b>
<b>Commitments and guarantees, net</b>	<b>160 815</b>	<b>150 557</b>	<b>129 044</b>	<b>108 109</b>
<i>incl.</i>				
<i>commitments and guarantees, gross</i>	161 421	151 099	129 753	108 743
<i>expected credit losses</i>	-606	-542	-709	-634
<i>stage 1</i>	-551	-505	-423	-349
<i>stage 2</i>	-19	-19	-286	-285
<i>stage 3</i>	-36	-18	-	-

\*Information has been prepared based on data from the audited annual report for the year ended 31 December 2025 and 31 December 2024.

## Profitability ratios

	<b>Bank 31.12.2025 Audited*</b>	Group 31.12.2025 Non-audited	<b>Bank 31.12.2024 Audited*</b>	Group 31.12.2024 Non-audited
ROE <sup>1</sup>	-9.78%	-7.77%	3.61%	3.13%
ROA <sup>2</sup>	-2.38%	-2.02%	0.89%	0.82%

## Regulatory requirements and ratios

	<b>Bank 31.12.2025 Audited*</b>	Group 31.12.2025 Non-audited	<b>Bank 31.12.2024 Audited*</b>	Group 31.12.2024 Non-audited
Capital adequacy ratio	22.51%	22.65%	24.71%	25.38%

## Financial ratios

	<b>Bank 31.12.2025 Audited*</b>	Group 31.12.2025 Non-audited	<b>Bank 31.12.2024 Audited*</b>	Group 31.12.2024 Non-audited
Equity to loan portfolio ratio	47.85%	51.98%	51.42%	56.68%
Loan portfolio to total assets ratio	47.87%	45.54%	50.20%	47.81%
Equity to total assets ratio	22.91%	23.67%	25.82%	27.10%
Deposits to loans ratio	151.22%	153.73%	135.03%	140.50%

<sup>1</sup>Annualised profit/loss for the reporting period over average equity

<sup>2</sup>Annualised profit/loss for the reporting period over average assets

\*Information has been prepared based on data from the audited annual report for the year ended 31 December 2025 and 31 December 2024.

## Report of equity and minimum capital requirements

No.	Position	Bank 000'EUR 31.12.2025	Group 000'EUR 31.12.2025
<b>1</b>	<b>Own funds (1.1.+1.2.)</b>	<b>272 356</b>	<b>279 782</b>
1.1.	Tier 1 capital (1.1.1.+1.1.2.)	265 249	272 675
1.1.1.	Common equity tier 1 capital	265 249	272 675
1.1.2.	Additional tier 1 capital	-	-
1.2.	Tier 2 capital	7 107	7 107
<b>2</b>	<b>Total risk exposure amount (2.1.+2.2.+2.3.+2.4.+2.5.+2.6.+2.7.)</b>	<b>1 209 972</b>	<b>1 235 059</b>
2.1.	Risk weighted exposure amounts for credit, counterparty credit and dilution risks and free deliveries	1 134 010	1 141 400
2.2.	Settlement/delivery risk exposure amount	-	-
2.3.	Total risk exposure amount for position, foreign exchange and commodities risks	1 570	13 243
2.4.	Total risk exposure amount for operational risk	74 392	80 416
2.5.	Total risk exposure amount or credit valuation adjustment	-	-
2.6.	Total risk exposure amount related to large exposures in the trading book	-	-
2.7.	Other risk exposure amounts	-	-
<b>3</b>	<b>Capital ratios and capital levels</b>		
3.1.	CET 1 Capital ratio (%) (1.1.1./2.*100)	21.92	22.08
3.2.	Surplus(+)/Deficit(-) of CET 1 capital (1.1.1.-2.*4.5%)	210 800	217 097
3.3.	Tier 1 Capital ratio (%) (1.1./2.*100)	21.92	22.08
3.4.	Surplus(+)/Deficit(-) of Tier 1 capital(-) (1.1.-2.*6%)	192 651	198 571
3.5.	Total capital ratio (%) (1./2.*100)	22.51	22.65
3.6.	Surplus(+)/Deficit(-) of total capital (-) (1.-2.*8%)	175 558	180 977
<b>4</b>	<b>Combined buffer requirement (4.1.+4.2.+4.3.+4.4.+4.5.)</b>	<b>41 720</b>	<b>42 426</b>
4.1.	Capital conservation buffer	30 249	30 876
4.2.	Conservation buffer connected with at country level detected macroprudential or systemic risk	-	-
4.3.	Institution specific countercyclical capital buffer	11 471	11 550
4.4.	Systemic risk buffer	-	-
4.5.	Other Systemically Important Institution buffer	-	-
<b>5</b>	<b>Capital ratios due to Pillar II adjustments</b>		
5.1.	Amount of asset value adjustment appropriate for prudential purposes	-	-
5.2.	CET1 capital ratio including Pillar II adjustments	21.92%	22.08%
5.3.	Tier 1 capital ratio including Pillar II adjustments	21.92%	22.08%
5.4.	Total capital ratio including Pillar II adjustments	22.51%	22.65%

## Liquidity coverage ratio calculation

No.	Position	Bank 000'EUR 31.12.2025	Group 000'EUR 31.12.2025
1	Liquidity buffer	423 484	423 515
2	Net liquidity outflow	154 723	154 170
3	Liquidity coverage ratio (%)	273.70%	274.71%

Information on risk management can be found in the last annual report:

<https://www.rietumu.com/en/about-bank/bank-finance/bank-finance-audited>

## Analysis of the Bank's and Group's securities portfolio distribution

Bank's and Group's securities portfolio breakdown by country in which the total book value of the securities issued exceeds 10% of the Bank's shareholders' equity.

000'EUR

31.12.2025 Audited					
Issuer	Financial instruments at fair value through profit or loss	Financial instruments at fair value through other comprehensive income	Financial instruments at amortised costs	TOTAL	% of shareholders' equity*
<b>Luxembourg</b>					
Other financial corporations	-	970	25,372	26,342	
Non-financial corporations	158	1,873	5	2,036	
<b>Total:</b>	<b>158</b>	<b>2,843</b>	<b>25,377</b>	<b>28,378</b>	<b>9.09%</b>
<b>USA</b>					
Credit institutions	-	6,806	-	6,806	
Other financial corporations	8,547	5,758	-	14,305	
Non-financial corporations	-	15,148	61	15,209	
<b>Total:</b>	<b>8,547</b>	<b>27,712</b>	<b>61</b>	<b>36,320</b>	<b>11.63%</b>
<b>Securities of other countries:</b>	<b>209</b>	<b>144,583</b>	<b>10,745</b>	<b>155,537</b>	
<b>Total securities portfolio:</b>	<b>8,914</b>	<b>175,138</b>	<b>36,183</b>	<b>220,235</b>	

\* - Each country's issuers' total exposure in percentages from the Bank's shareholders equity.